

City of Asheville
Community Development Division
CDBG and HOME Grant Workshop



Agenda

1. Welcome, Purpose of Workshop
2. Consolidated Plan Priorities
3. Expected Funds Available, General Eligibility
4. Application Forms and Process
5. Contract and Award Conditions
6. Questions and Answers
7. Individual Consultations

Anticipated Funding 2012-2013

2011 and 2012 CDBG and HOME Budget Comparison					
	Total Grant	Program Income	Admin	\$ to Grant	
CDBG-2011	\$ 1,097,812	\$ 118,860	\$ 236,375	\$ 1,012,681	
CDBG-2012 (Est)	\$ 922,162	\$ 225,833	\$ 229,599	\$ 918,396	
Difference	\$ (175,650)	\$ 106,973	\$ (6,776)	\$ (94,285)	
HOME-2011	\$ 1,280,903	\$ 93,333	\$ 128,090	\$ 1,392,436	
HOME-2012 (Est)	\$ 794,160	\$ 77,603	\$ 87,176	\$ 784,587	
Difference	\$ (486,743)	\$ (15,730)	\$ (40,914)	\$ (607,849)	
Notes:	2012 amounts are estimates				
	Homeless Initiative included in CDBG admin				
	Section 108 PI and expenses not included				

2010-2015 Consolidated Plan Priorities

- Review of Priorities
- Sustainability
- How priorities are used in Application Review Process
- <http://www.ashevillenc.gov/Departments/CommunityDevelopment.aspx>

Housing Priorities for 2012

- Asheville/Buncombe County
 - Affordable Rental Housing
 - Sustainable Development
 - Special Needs Housing and Services
 - Energy efficiency, environmentally sound
 - Target low-wealth neighborhoods
 - Preserve existing affordable housing
 - Promote homeownership

Housing Priorities for 2012

- Henderson County
 - Affordable Rental Housing
 - Sustainable Development
 - Special Needs Housing and Services
 - Energy efficiency, environmentally sound development
 - Preserve existing affordable housing
 - Raise community awareness
 - Promote homeownership

Housing Priorities for 2012

- Madison County
 - Preserve existing affordable housing through rehabilitation
 - New affordable homeownership development
 - Provide affordable rental housing
 - Housing near jobs and transportation
 - Special needs housing

Housing Priorities for 2012

- Transylvania County
 - Efficient use of land and infrastructure for new housing
 - Promote homeownership
 - Preserve existing affordable housing
 - Help those with special needs
 - Preserve long-term affordability

Economic Development Priorities 2012

- Living wage jobs and training for those jobs
- Incentives to small businesses to hire and pay living wages
- Jobs in fields promising growth and located accessibly
- Start up and growth of small businesses

Public Service Priorities 2012

- Services directly supporting affordable housing, public transit, youth, and employment
- The 10 Year Plan to End Homelessness
- Housing for Persons with Mental Illness

Public Facility Priorities 2012

- Youth mentoring, after-school education and other youth services as part of neighborhood strengthening

Sustainability Principles

- Transportation choices- to decrease costs, improve public health
- Equitable affordable housing- location and energy efficient, to lower the combined cost of housing and transportation
- Economic competitiveness- reliable and timely access to employment, education, service needs
- Support existing communities- to increase community revitalization, support efficient public works, safeguard rural landscapes
- Coordinate policies and leverage investments
- Value communities and neighborhoods- invest in safe and walkable neighborhoods

To Be, or not to CDBG?

	Construction	Non-Construction	Asheville	Outside of Asheville
CDBG	sometimes	YES	YES	NO
HOME	YES	<ul style="list-style-type: none">•Tenant Based Rental Assistance (TBRA),•Down Pmt Assistance to Homebuyers, or•Pre-development loans for CHDOs	YES	YES

CDBG Objectives

- The primary objective of the program is the development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons or presumed persons of low- and moderate- income.
- Each funded activity must meet one of three named national objectives:

**Benefiting Low- and Moderate-Income Persons;
Preventing or Eliminating Slums or Blight;
Meeting Urgent Needs.**

- The City of Asheville must ensure that at least 70 percent of its expenditures over a particular time period be used for activities qualifying under the first of those national objectives (that of Benefiting Low- and Moderate-Income Persons.)

CDBG - Use of Funds

Flexible program – many eligible activities, including:

- Property acquisition
- Public facilities and infrastructure improvements
- Housing rehabilitation
- New housing construction (only by CBDO's)
- Homeownership assistance
- Economic development
- Public services – capped at 15% of budget
- Planning and administration – capped at 20% of budget

CDBG – Who can Apply

- Public and private non-profits
- Neighborhood associations can partner with a non-profit, or request a City-managed project (e.g. a playground)
- A for-profit entity may apply for an economic development activity if it meets a national objective

HOME Program

Assists low-income households with affordable housing

- Production oriented
- Not for economic development or social services







Covers 4-county area:

Buncombe, Henderson, Madison, Transylvania

What is “affordable housing” ?

- Housing for people with income below 80% of area median income
- Housing that costs the residents no more than 30% of their gross income
- HOME – 90% of rental units assisted must house people with income 60% or below area median income

HOME Eligible Activities

-  New construction – for sale or rental
-  Rehabilitation
-  Acquisition of land for housing
-  Tenant-based rental assistance
-  Homeownership assistance
-  Administrative and planning costs

***All activities must produce affordable housing, or make housing affordable**

Who Can Apply for HOME funds?

- ✍ Consortium Member governments
- ✍ For-profits and non-profits via a member government
- ✍ Community housing development organizations (CHDOs)
- ✍ CHDOs are non-profit organizations that meet requirements specific to the HOME program

Other HOME requirements

- Minimum affordability period for each HOME-assisted unit based on per-unit assistance:

Under \$15,000 - 5 years

\$15k to \$40k - 10 years

Over \$40k - 15 years

- Match Requirement: For every dollar of HOME funds, there is a \$0.25 match obligation.



This year's Application



What, where & how:

- Application Available on-line
- Electronic Submissions Required
- Applications DUE: 2/3/2012 @5PM
- Submit all inquires & requests for technical assistance to: cd@ashevillenc.gov
- Question and Answers posted on-line

Nuts & Bolts

- Instructions separate from application
- Timeline included in instructions
- Links are live & offer important resources
- Use the check-list to ensure everything is included with your submission.

Which Application?

Construction

New Housing Construction (HOME)

Housing Rehabilitation (HOME)

Commercial Construction or
Rehabilitation (CDBG)

Construction or improvement of
public facilities (CDBG)

Construction of public
improvements (CDBG)

Emergency Repair (CDBG)

Non-Construction

Public Services (CDBG)

Housing Services (CDBG)

Tenant Based Rent Assistance
TBRA (HOME)

Homeownership Assistance
(CDBG or HOME)

Economic Development (CDBG)

Section I:

Applicant Information

- Agency name & contact
- Total funds requested
- Type of funds being requested
- Affirmation by name of authorized signatory

Section II:

Project/Program Description

- Project Title, Location, and Activity
- Project Justification
 - Purpose, community need, and alignment with priorities
 - Supporting Documentation
- Project Details/Program Design
- Timetable

Section II:

Project Description (construction only)

- Property Acquisition and Site Detail
- Housing & Construction Detail
- Lead-Based Paint
- Housing Affordability
- Infrastructure & Public Facilities
- Program Design/Organizational Capacity
- Table 2: HOME-Production underway/planned

Section II:

Project Description- pointers

- Be concise and specific
- Avoid “jargon”
- Provide all requested documentation
- Use local data and statistics when describing need in market
- Clearly define what funds will be used for
- Clearly define target population
- Outputs vs. Outcomes
- Choose up to three of the most salient outcomes
- If in doubt, ask for help when completing tables

Section II

Program Targets (non-construction)

- Client demographics **choose people if:**
 - Public Services (CDBG)
 - Housing Services (CDBG)
 - Economic Development (CDGB)
- Client demographics **choose households if:**
 - Tenant Based Rent Assistance (HOME)
 - Homeownership Assistance (CDBG/HOME)



Program Targets (Construction)

Choose people only when there is an area community benefit:

- Public Infrastructure Projects
- Construction of Public Facilities

Choose households if:

- Residential New Construction
- Emergency Repairs
- Rehab of existing structure

Special Populations & Area Benefit (both)



Section III: Financial Information

- Attachment A – all programs/projects
 - Agency Budget
 - Sources and Uses
 - Staff table
 - Program Income
- Attachment B – new rental housing
- Attachment C – new home ownership

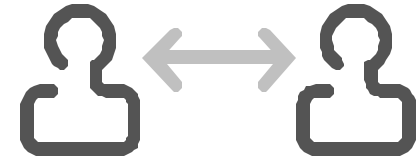


Section IV: Agency Management

- Organization
- Board of Directors

Section V: Conflicts of Interest

- Explain any potential conflicts



Some other federal requirements that grantees must comply with are....

- Equal Opportunity, Civil Rights and Non- Discrimination
 - Federal Labor Standards (Davis Bacon)
 - Section 3 Requirement
 - Fair Housing
 - Environmental Review
 - Uniform Relocation Act (URA)
- Retention of and Access to Records
 - Accounting Requirements
 - Uniform Relocation Act
 - Hatch Act (lobbying)
- National Historic Preservation Act
 - Conflict of Interest

Environmental Review

- Required for the use of Federal Funds
- Federal environmental regulations must be completed and certified before any “choice-limiting action” occurs. Environmental conditions must be evaluated and you must have received clearance from City of Asheville Community Development or you may not be eligible for CDBG or HOME funding.
- The time of compliance for environmental review starts at the time a sub-grantee applies or intends to apply for HUD funds.

Choice Limiting Actions

- Under 24 CFR Part 58.22, HUD funding recipients are prohibited from making choice limiting actions until after the environmental review has been fully concluded. Choice limiting actions may include purchasing a building or lot, going out to bid for contract, approving final design plans, starting physical work on a site before HUD has issued the release of funds to the grantee.
- Grant recipients must not take any actions on a site that will limit choices available in the environmental review process. That is to say that if the site should not be in compliance with some environmental resource(s), the environmental reviewer must not be pressured into acceptance of the site and should have the "choice" of relocating the project to another site that is less intrusive on the environment.

Levels of Review

- Exempt/ Categorically Excluded
- CE but Subject to Statutory Checklist
- Full Environmental Assessment
- Environmental Impact Statement

Exempt/ Categorically Excluded not subject to 58.5

- Projects that will not have a physical impact or result in any physical changes

Examples:

Employment

After school programs

Tenant Based Rental Assistance

Counseling

Engineering, design costs, inspections

Maintenance

- CD will certify, document and keep ER record

Categorically Excluded subject to statutory checklist 58.5

- Normally excluded activity but may have significant impact

Examples:

Rehab of less than 4 units residential

Public facility improvements under 20% increase in capacity

- Site specific review will apply when activities are at multiple addresses
- CD will certify, document and keep ER record

Full Environmental Assessment

- HUD defines as a project with significant environmental impact
 - Examples:
 - New Construction
 - New Public Facility
- Requires NEPA review
- 2-3 month process, research and documentation by environmental review officer, comments from various agencies, public review and comments
- FONSI, RROF required
- Must have clearance letter from CD before proceeding with choice limiting actions

Environmental Impact Statement (EIS)

- In rare instances, when a project is planned where there are known substantial environmental impacts, an EIS is required.
- It is not likely that the City of Asheville would fund a project that requires an EIS


Red Flags for Environmental Assessment

- Floodplain
- Near a Railroad or Highway
- In or near a historic district or untouched land
- Demolition

Also:

- Amendment to Scope of Services
- Multi-Year Development Projects

....so, what happens after applications get submitted?

- Staff review
- Follow-up questions provided to agencies
- Technical assistance meetings as needed
- Applications are evaluated
- Applications & evaluation provided to the HCD/Consortium
- Agency Interviews with HCD/Consortium
- Funding decisions are made 

Application Timetable

- Friday, February 3, 2012 – DUE DATE
- February 6 – March 2 – Staff and Committee review of applications
- March 5-16 – HCD Committee and HOME Consortium Board Interviews
- March 23 – Draft Action Plan Completed
- April 24 – Asheville City Council Approves Annual Action Plan.

Contract Timetable

- May 15- Annual Action Plan Sent to HUD
- June 1- Conditional Award Letters to Subrecipients
- June and July – Develop Scope of Services, Budget, Timeline, and complete Environmental Review
- July 1 – HUD Approves Annual Action Plan
- July and August- Contracts between City and Subrecipients Signed
- Drawdown of Funds After Contracts Are Signed

Core Documents

- Required with Application
 - Recent Audit or Financial Statements
 - Organizational Documents (By-Laws, etc.)
 - Board Roster
- Required at time of Contract
 - Audit
 - Insurance with up to date Employee Dishonesty Coverage
 - Procurement Policy
 - Conflict of Interest
 - Drug Free Workplace Policy

Reports & Payments

- Reports
 - Scope of work
 - Demographics
 - CAPER
- Payment
 - Reimbursement
 - Backup required

Staff Technical Assistance

- Jeff Staudinger – Eligibility and Priorities
jstaudiner@ashevillenc.gov
- Amy Sawyer – Homeless Initiative and Programs
asawyer@ashevillenc.gov
- Angie Cullen – CDBG, HOME and Environmental Review
acullen@ashevillenc.gov
- Randy Stallings – Housing Construction
rstallings@ashevillenc.gov
- Marvin Feinblatt – Budgets and Draws
mfeinblatt@ashevillenc.gov
- Jaime Matthews – Application Admin and Logistics
jmatthews@ashevillenc.gov



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